Steps to boost export of Indian diamonds

2175. SHRIMATI T. RATNA BAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the $ 2 billion Indian diamond sector has lost its brilliance with the US market facing a slowdown; and

(b) if so, the details thereof during the last five years, year-wise and the steps being taken to improve the exports to each country in the current five year plan especially from Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) Yes, Sir. There has been a fall in the consumer demand in major export destination, including USA markets due to economic slowdown. Export of cut and polished diamonds and rough diamonds for last five years are given below:—

US $ in Million

Item	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 (upto February)
Cut and Polished Diamonds	8239.80	10132.45	11171.49	10088.10	13685.01	13552.69
Rough Diamonds	61.23	229.42	438.78	496.03	523.84	585.52

The Government had given two fiscal stimulus packages to promote and protect the industry including the diamond sector. Further, the Government has announced a number of measures in the Foreign Trade Policy (FTP) 2009-14 and the Union Budget 2009-10 to promote export of diamond and jewellary, such as permission to import of diamonds on consignment basis for Certification/Grading and re-export by the authorized offices/agencies of Gemmological Institute of America (GIA) in India or other approved agencies; recognition of Surat (Gujarat) as a Town of Export Excellence; increase in the value limit of personal carriage from US$ 2 million to US$ 5 million in case of participation in overseas exhibitions and from US$ 0.1 million to US$ 1 million in case of samples in personal carriage for export promotion tours; extension in number of days for re-import of unsold items in case of participation in exhibition in USA increased to 90 days; reduction in the threshold limit for recognition of Premier House from Rs. 10000 crores to Rs. 7500 crores in export turnover in the previous three years and current year taken together; extension of interest subvention of 2% on rupee export credit up to March 31, 2010; exemption of Service Tax on services received by exporters from goods transport agents and commission agents where the liability to pay service tax is *ab* initio on the exporter, etc.

Establishing Spice Parks

2176. SHRI NAND KUMAR SAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government proposes to establish common infrastructure facilities (Spice Parks) in various parts of the country during the Eleventh Plan;

(b) if so, the details thereof;

(c) the details of spices exported from the country during 2008-09 and 2009-10 as compared to corresponding period of previous years; and

(d) the extent to which exports of Indian Spices is likely to be increased by setting up of such common infrastructure facilities centres in various parts of the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) Yes, Sir. The Government has approved the setting up six Spice Parks to establish common infrastructure facilities for cleaning, grading, processing, packing facilities etc., primarily to empower the spices farmers through value addition and quality improvement of spices, along with backward linkage in various parts of the country. These Spice Parks are at Guntur (Andhra Pradesh), Sivaganga (Tamil Nadu), Puttadi, Idukki (Kerala), Rajasthan, Gujarat and Uttar Pradesh. Spice park at Puttady is near completion. A Spices Park was also set up at Chhindwara in Madhya Pradesh under the ASIDE scheme and has been operational since February, 2008.

(c) and (d) The extent to which establishment of Spices Parks will increase the exports can not be forecast. The export of Spices from India during 2008-09 and 2009-10 as compared to the same period of previous year is given below:—

Year	Quantity (MT)	Value (Rs. crores)	Value (MLN US$)
2007-08	444,250	4435.50	1101.80
2008-09	470,520	5300.26	1168.40
April – October, 2009	288,910	3070.35	636.04
April – October, 2008	299,275	3260.26	751.29

Source: Spice Board

Abolition of import duty on rice

2177. SHRI NAND KUMAR SAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has abolished import duty on rice;

(b) if so, the details thereof;

(c) the country-wise details of the basmati rice exported from the country during 2008-09 and 2009-10 compared to corresponding period of previous years;

(d) the estimated quantity of rice production declined in the country in current season;

(e) whether Government proposes to import non basmati rice to meet the demand of the country; and